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THE KSA PERSPECTIVE

For Apparel and Footwear Management

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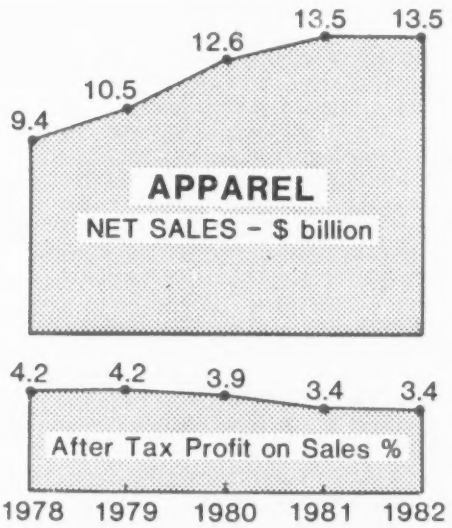
KSA's 1982 Financial Performance Profiles of the Apparel and Footwear Industries

Gains for 66 public apparel firms in recession year; 30 footwear companies showed less profits on more sales

Footwear Industry Profile starts on page 8.



CONSIDERING the depth and breadth of last year's recession, the publicly owned apparel companies did rather well in fiscal 1982. Sales were up by only 0.2% – precisely matching the gain in wholesale apparel prices for the year. However, profits went ahead by 2.3%, on a bottom-line gain of $10.3 million.

This year's apparel sample made the most of its limited opportunities, and outperformed the other two industries profiled by KSA – textiles and footwear. The comparison below offers an outstanding example of accomplishing more with less:

	$ Change (000) 1982/81	$ Change (000) 1981/80
Net Sales	$25,886	$880,037
Income Before Taxes	9,552	2,699

Much of the large 1981 sales gain was dissipated by increases in cost of goods sold and interest expenses. This year, apparel companies were able to bring 37% of a much smaller volume increase down to pre-tax income. Cost of goods sold for all 66 firms in the Profile came to 71.4% of sales – the lowest ratio over the last five years.

However, this good performance was offset by a 5% rise in selling, general, and administrative expenses. The dollar increase here was five times the gain in composite sales over 1981, reflecting higher costs of marketing, designer licensing arrangements, and the general upward drift in fixed expenses. (At 20.3% of sales, SG&A was at a record high; it was 17.8% in 1978.)

Consequently, total operating earnings declined to 8.4% of sales last year. The big improvements came in interest expense (down $16.6 million, but still high at 2.2% of sales) and miscellaneous income. The latter category showed a gain of $48 million over 1981, reflecting both asset disposals and interest income from a much healthier cash position.

Stronger Balance Sheet

If apparel's P & L for 1982 provided a pleasant surprise, the improvement in the composite balance sheet was positively exhilarating. Here are some excerpts:

- Cash increased 2.3 times to $613.7 million, and the current ratio improved by almost 15%, to 2.68.
- Total inventory levels went down by $281 million, or 9.5%. Inventory turns improved slightly to 3.4.
- Working capital increased, and now represents 48% of the sample's $7.4 billion asset base.
- Capital expenditures were down, reflecting the uncertainties of 1982.

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HOW INDUSTRY SECTORS COMPARE...

Sub-Industry and Year	No. of Firms Reported	Sales ($000)	Net Income ($000)	Net A.T. Income on Sales %	Return on Total Equity %	Total Debt to Assets	Return on Total Assets %	Sales to Total Assets	Gross Profit %	Oper. Earn. %	Inv. Turns	Return on Invested Capital %
Women's Apparel (W)												
1982	20	2,127,026	49,600	2.33	9.12	.46	4.87	2.09	26.72	7.51	3.90	7.22
1981	20	2,042,861	36,544	1.79	7.08	.49	3.55	1.98	26.02	6.82	3.92	5.43
Men's Apparel (M)												
1982	19	2,891,327	68,656	2.37	9.18	.53	4.31	1.81	23.55	5.85	3.22	6.08
1981	19	2,820,299	50,222	1.78	7.09	.55	3.13	1.76	24.42	7.52	2.99	4.66
Diversified Apparel (D)												
1982	19	8,003,036	338,095	4.22	13.69	.45	7.49	1.77	31.11	9.64	3.38	11.03
1981	19	8,111,407	354,452	4.37	15.23	.48	7.88	1.80	30.05	9.81	3.23	12.38
Associated Fashion Products (A)												
1982	8	455,553	6,378	1.40	4.68	.51	2.26	1.61	25.55	5.72	2.87	3.11
1981	8	476,489	11,239	2.36	8.26	.55	3.68	1.56	26.21	7.27	3.07	5.42
Composite Total ○												
1982	66	13,476,942	462,729	3.43	11.87	.47	6.25	1.82	28.61	8.36	3.39	9.10
1981	66	13,451,056	452,457	3.36	12.27	.50	6.08	1.81	28.12	8.79	3.25	9.38

○ *Excludes Conglomerates*

Coming out of a recession year with a profit gain and a stronger balance sheet isn't bad. First quarter 1983 results indicate that the public apparel companies have begun to make significant advances from the sturdier base they built last year – despite a disturbing 17% increase in imports. Many of these firms' stocks have been trading at new highs recently.

Sector Performances

The 19 firms in the Men's and Boys' Apparel group had the best profit improvement last year, with a gain of 37% on a sales increase of only 2.5%. The sector's 9.2% return on equity was its best in three years.

Salant was a stand-out here, coming back from a $6.5 million loss in 1981 (after a $15.7 million write-off) to a $4.5 million profit last year on less volume.

In Women's and Children's Apparel, 20 companies enjoyed a 36% rise in composite profits on a sales gain of 4%. Return on equity was a respectable 9%, the highest in five years. A 54% increase in pre-tax earnings, reflecting fewer write-offs than in previous years, made it all possible.

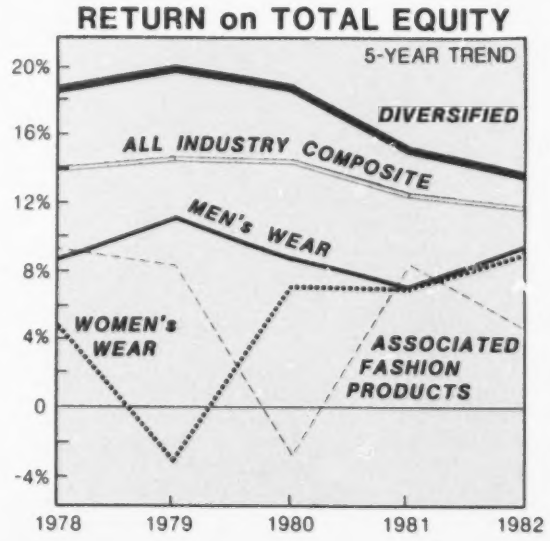
Liz Claiborne is again the success story in this sector, with gains of 42% in sales and 38% in profits. Its unique product/market strengths proved immune to the recession.

The Diversified sector had its first sales drop in years, and profits tailed off by 4.6%. SG&A for these 19 firms rose to 21.5%. This mediocre group performance largely mirrored the results of *Levi* and *Blue Bell*; the two giants have had problems of late – abroad, with a poor economy in Europe, and at home with shifting conditions in the jeans and Western wear markets.

The third member of the big three, *VF Corp.*, forged ahead in 1982. Its *H.D. Lee* division has gained market share in jeans, and its superior performance figures (10.4% profit on sales, 19.2% operating earnings, and 20.1% return on assets) include six top rankings (first to fifth place); *Claiborne* had seven.

There were losing performances in 1982, as can be seen in the tables, but more of them can be blamed on the vulnerabilities of specific companies in certain product/market categories, rather than on general conditions in the apparel business. And some losses this year reflect efforts to get out of no-win situations and prepare for future growth.

Firms that changed their strategies and/or took write-offs in previous years (*Jonathan Logan, Farah, Manhattan, Salant, Oxford*) are now back on the track. Others (*Russell, Oshkosh, Garan, Tultex*) just keep rolling along with solid, if unspectacular, performances year after year. Their consistency is admirable and should be the goal of all public apparel companies.



SALES AND EARNINGS

Apparel and Associated Fashion Products Companies

Sales Rank 82	81	Company	Sales ($000)	Net Income ($000)	82	81
1	1	Levi Strauss 11/82-D	2,572,172	126,575	1	1
2	2	Blue Bell 10/82-D	1,292,220	37,258	3	3
3	11	Consol. Foods 6/82-C(1, 2)	1,017,000	74,000 (I)	*	*
4	8	Gulf + Western 7/82-C(1, 2)	925,000	—	*	*
5	3	Interco 02/82-C(1)	899,200	104,800(§)	*	*
6	5	V F Corp. 12/82-D	879,528	91,623	2	2
7	4	Cluett Peabody 12/82-M	867,394	23,677	5	5
8	12	General Mills 05/82-C(1, 3)	657,300	101,700(§)	*	*
9	6	Northwest Ind. 12/82-C(1, 4)	642,400	81,800(§)	*	*
10	7	Kellwood Company 04/82-D	606,830	8,198	16	23
11	10	Warnaco Inc. 12/82-D	493,590	24,126	4	6
12	9	Palm Beach Co. 10/82-D	491,018	9,524	14	7
13	15	Hartmarx 11/82-C(1)	490,200(E)	57,100 (I)	*	*
14	16	Oxford Ind. 05/82-D	435,928	16,330	7	14
15	13	Phil-Van Heusen 01/82-M	431,135	7,377	18	18
16	14	Jonathan Logan 12/82-W	392,482	13,456	10	65
17	17	Manhattan 01/82-D	377,772	9,715	13	19
18	21	U.S. Industries 12/82-C(1, 5)	348,800	34,900(§)	*	*
19	19	Chese.-Ponds 12/82-C(1)	280,769	31,235(§)	*	*
20	18	Russell Corp. 12/82-D	275,319	21,191	6	4
21	20	Puritan Fashions 12/82-W	245,646	8,897	15	8
22	23	Rapid-American 1/82-C(1, 6)	238,000	16,200(§)	*	*
23	28	Tultex 11/82-M	231,700	12,609	11	11
24	30	Russ Togs 01/82-W	227,841	10,998	12	13
25	24	Salant Corp. 11/82-M	205,867	4,547	23	64
26	25	Marcade Group 01/82-W	202,463	4,652	22	24
27	32	Farah Mfg. Co. 10/82-M	194,278	15,548	8	9
28	31	Wm. Carter Co. 12/82-W	192,191	6,878	19	16
29	26	Work Wear Corp. 12/82-A	191,557	344	47	20
30	*	Colgate-Palmol. 12/82-C(1,4)	188,867	41,035(§)	*	*
31	27	Genesco 07/82-C(1)	179,500(E)	—	*	*
32	29	Bobbie Brooks 05/82-W	174,163	−21,449	66	58
33	35	Liz Claiborne 12/82-W	165,722	14,072	9	10
34	33	Garan 09/82-M	150,028	8,175	17	12
35	38	Hampton Ind. 12/82-M	123,416	2,781	26	26
36	36	Champion Prod. 12/82-D	105,541	790	39	31
37	34	Munsingwear 12/82-D	103,069	−14,817	65	63
38	39	Stanwood Corp. 12/82-M	102,004	1,791	32	36
39	37	BTK Ind. 09/82-M	100,507	−8,884	64	27
40	40	Bayly Corp. 10/82-M	92,959	−2,531	61	28
41	42	Wayne-Gossard 12/82-M	87,684	1,904	31	25
42	41	Nexus 07/82-D	83,914	−3,157	62	39
43	44	Superior Surg. 12/82-D	81,088	2,228	29	29
44	47	Bio-Medical 12/82-W	76,416	4,657	21	17
45	43	Talley Industries 03/82-C(1)	73,014	348(§)	*	*
46	53	Unitog Company 01/82-D	68,904	2,409	28	32
47	58	Movie Star 05/82-W	66,150	1,154	38	37
48	51	Olga Company 12/82-W	62,234	3,012	25	30
49	56	Oshkosh B'Gosh 12/82-D	60,970	5,327	20	21
50	52	Abe Schrader 07/82-W	60,380	3,408	24	22
51	50	Fritzi of California 09/82-W	60,142	1,275	36	50
52	57	Wilson Brothers 12/82-M	59,091	−1,683	60	61
53	74	Richton International 04/82-A	55,976	1,954	30	43
54	46	Kennington 12/82-M	55,130	2,484	27	15
55	49	Oneita Knitting 12/82-M	53,893	−650	58	47
56	54	Aileen 11/82-W	52,852	−4,566	63	59
57	68	Boss Mfg. Company 03/82-A	50,980	680	42	40
58	*	Alba-Waldensian 12/82-A	44,429	67	51	46
59	72	Spencer Companies 5/82-C(1)	44,200	900(§)	*	*
60	55	Quality Mills 12/82-M	40,114	5	54	62
61	63	After Six 06/82-M	39,955	428	46	66
62	67	Jaclyn 06/82-A	39,714	1,671	33	35
63	75	Shapely 12/82-W	34,025	1,460	34	33
64	65	Noel Industries 10/82-D	34,004	21	53	38
65	69	Harwood Company 12/82-M	32,247	762	41	53
66	64	Jack Winter 11/82-W	28,899	303	48	60
67	61	Miller Bros. 09/82-A	27,172	−891	59	48
68	79	Barco of California 06/82-D	27,157	789	40	45
69	76	Kleinert's 09/82-W	25,598	51	52	57
70	77	Joni Blair 06/82-W	25,536	−94	55	51
71	78	Fownes Brothers 12/82-A	23,383	1,398	35	34
72	90	ProGroup 09/82-A	22,342	1,155	37	41
73	82	Nantucket Ind. 02/82-W	18,886	504	45	44
74	84	State-O-Maine 02/82-M	17,751	574	44	49
75	83	Raven Industries 1/82-C(1)	13,373	351(§)	*	*
76	85	Felco Sports 08/82-D	11,545	153	50	52
77	88	Bi-State Industries 03/82-W	8,177	646	43	42
78	87	Howard B. Wolf 05/82-W	7,223	286	49	56
79	89	Fox Knapp Mfg. 05/82-M	6,174	−258	57	54
80	92	Profile Sports 02/82-D	2,467	−188	56	55
		Sales Total	**$19,474,565**			

C Multi-Industry Firms or Conglomerate Divisions. Apparel sales may be estimated (E) and include the following components: (1) Apparel; (2) Hosiery; (3) Associated Fashion Products; (4) Footwear/Boots/Leather Products; (5) Furniture; (6)Other unrelated industries. Where available, Operating Earnings (§) or Pre-Tax Income (I) are shown.

* *Unranked*

— *Unavailable*

Apparel Performance Profile – Fiscal 1982

(Excludes Conglomerates and Multi-Industry Firms)

82 Sales Rank	Company	Net A.T. Inc. on Sales %	82	81	Return on Total Equity %	82	81	Total Debt To Assets	82	81	Return on Total Assets %	82	81	Sales To Total Assets	82	81	Gross Profit %	82	81	Operating Earnings %	82	81	Inventory Turns	82	81	Return on Invested Capital %	82	81
50	Abe Schrader 7/82-W	5.64	7	9	19.08	7	5	.22	61	58	14.82	6	4	2.62	5	3	31.99	11	11	10.13	13	9	6.20	2	2	19.08	5	4
61	After Six 6/82-M	1.07	43	63	3.10	42	61	.67	11	5	1.00	44	62	.93	63	66	34.16	8	12	10.29	11	27	2.94	46	66	1.18	43	62
56	Aileen 11/82-W	−8.63	59	57	−13.62	55	52	.26	58	60	−10.00	59	55	1.15	60	62	14.98	62	62	−9.50	64	63	3.99	23	27	−11.97	56	53
58	Alba-Waldensian 12/82-A	.15	48	44	.50	47	48	.47	35	44	.26	47	41	1.77	39	21	16.95	57	33	7.94	23	54	4.06	20	11	.33	47	45
68	Barco of California 6/82-D	2.90	24	32	6.79	35	44	.25	60	63	5.03	27	34	1.73	42	51	29.35	18	21	5.51	43	39	3.03	43	55	6.72	28	38
40	Bayly Corp. 10/82-M	−2.72	53	28	−10.78	52	27	.44	39	42	−6.00	56	22	2.20	14	10	18.44	50	49	−4.43	59	46	4.02	22	22	−8.50	54	24
77	Bi-State Ind. 3/82-W	7.90	4	2	24.94	5	1	.30	55	54	17.45	5	1	2.21	13	6	31.90	12	7	11.48	8	2	9.74	1	1	24.94	4	1
44	Bio-Medical 12/82-W	6.09	+	+	28.96	+	+	.47	35	27	15.25	+	+	2.50	6	2	26.60	28	31	8.40	22	15	4.92	8	4	24.10	+	+
2	Blue Bell 10/82-D	2.88	25	25	8.64	33	29	.41	45	37	5.04	26	28	1.74	40	41	30.25	16	22	7.55	26	34	2.76	53	53	7.35	27	22
32	Bobbie Brooks 5/82-W	−12.31	61	51	−288.75	61	53	.82	4	16	−50.63	62	52	4.11	1	14	17.43	55	45	−7.29	63	57	5.58	5	12	−118.16	61	52
57	Boss Mfg. Co. 3/82-A	1.33	41	34	5.43	39	36	.51	28	35	2.64	40	33	1.98	24	19	24.53	37	29	2.89	53	42	3.81	26	33	3.15	41	33
39	BTK Ind. 9/82-M	−8.83	60	30	−81.31	59	18	.80	5	13	−16.23	60	32	1.83	34	34	19.02	48	16	−6.78	62	28	3.38	36	38	−30.85	59	29
36	Champion Prod. 12/82-D	.74	45	36	2.11	43	41	.35	52	52	1.36	43	35	1.82	35	25	24.05	41	41	2.93	52	40	2.84	50	39	1.66	42	40
7	Cluett Peabody 12/82-M	2.72	27	33	10.97	23	32	.50	33	27	5.44	25	31	1.99	23	26	24.67	35	26	6.10	40	32	3.12	41	41	7.67	24	30
27	Farah Mfg. Co. 10/82-M	8.00	+	+	34.81	+	+	.55	21	9	15.64	+	+	1.95	26	53	29.02	19	13	9.16	19	14	3.34	37	36	20.66	+	+
76	Felco Sports 8/82-D	1.32	42	37	5.03	40	38	.47	35	32	2.63	41	37	1.98	24	26	24.57	36	34	4.89	45	44	3.16	39	47	3.89	38	35
71	Fownes Bros. 12/82-A	5.97	6	7	9.06	29	33	.19	63	62	7.31	19	18	1.22	58	60	30.55	15	17	13.18	6	6	1.66	64	64	9.06	19	20
79	Fox Knapp Mfg. 5/82-M	−4.17	57	52	−11.18	53	51	.51	28	55	−5.41	53	51	1.29	56	59	13.05	64	61	−6.51	61	61	1.54	66	65	−8.89	55	51
51	Fritzi of California 9/82-W	2.11	35	48	8.68	32	50	.44	39	40	4.81	30	47	2.27	10	11	25.59	31	47	5.53	42	58	4.16	18	13	7.85	23	48
34	Garan 9/82-M	5.44	8	8	14.32	16	10	.37	50	44	8.94	14	10	1.64	48	48	23.52	42	32	10.04	14	10	4.46	13	15	12.05	15	11
35	Hampton Ind. 12/82-M	2.25	32	27	8.80	30	28	.43	43	42	5.00	28	23	2.22	12	15	18.60	49	48	6.72	33	31	4.22	15	20	5.96	32	27
65	Harwood Co. 12/82-M	2.36	30	50	14.81	15	49	.51	28	19	7.18	20	49	3.04	2	8	18.40	51	56	6.19	39	49	3.86	25	21	14.00	11	46
78	Howard B. Wolf 5/82-W	3.95	+	58	5.46	+	56	.10	64	65	4.89	+	59	1.23	57	54	26.87	26	54	−.95	57	64	2.09	62	60	5.46	+	59
62	Jaclyn 6/82-A	4.20	17	17	11.42	21	31	.21	62	61	9.01	13	15	2.14	18	33	24.53	37	38	6.34	37	37	4.67	10	9	10.75	18	21
66	Jack Winter 11/82-W	1.04	44	59	1.07	44	55	.10	64	64	.96	45	58	.92	64	61	28.48	22	46	−3.65	58	66	2.98	45	6	1.06	44	57
16	Jonathan Logan 12/82-W	3.42	22	53	10.50	26	54	.39	47	37	6.39	21	56	1.86	33	26	24.81	33	50	7.40	27	55	4.43	14	18	8.97	20	54
70	Joni Blair 6/82-W	−.36	51	47	−2.57	50	43	.69	10	10	−.77	51	47	2.10	20	32	14.73	63	58	3.77	49	50	4.49	12	19	−2.57	50	34
10	Kellwood Company 4/82-D	1.35	40	49	9.68	27	47	.73	8	7	2.53	42	50	1.87	32	40	17.80	53	59	6.42	35	52	2.82	51	51	5.84	33	50
54	Kennington 12/82-M	4.50	15	1	3.75	41	20	.07	66	66	3.49	36	8	.77	65	63	21.50	46	28	2.64	54	23	1.61	65	61	3.75	40	13
69	Kleinert's 9/82-W	.19	46	56	.58	46	57	.64	16	19	.20	48	54	1.03	61	64	12.09	66	66	6.42	35	56	2.30	59	62	.44	45	55

1	Levi Strauss 11/82-D	4.92	11	10	13.04	18	11	.40	46	47	7.80	18	9	1.59	51	38	36.41	4	5	10.53	10	8	3.59	31	30	11.18	17	7
33	Liz Claiborne 12/82-W	8.49	3	4	34.17	1	2	.29	56	47	24.13	1	2	2.84	3	7	33.87	9	6	17.57	2	1	5.82	3	5	34.17	1	2
17	Manhattan 1/82-D	2.57	29	39	17.20	10	30	.67	11	14	5.63	24	36	2.18	17	16	31.52	14	14	6.25	38	43	3.68	30	32	8.75	21	35
26	Marcade Group 1/82-W	2.29	31	38	13.45	17	25	.67	11	8	4.37	32	38	1.90	30	35	24.48	39	27	7.03	29	19	2.65	54	42	8.19	22	37
67	Miller Bros. 9/82-A	−3.27	55	40	−11.36	54	40	.51	28	23	−5.56	55	42	1.69	45	43	16.22	60	43	−5.34	60	38	2.20	61	50	−7.93	53	42
47	Movie Star 5/82-W	1.74	38	26	6.31	37	37	.52	26	57	2.98	39	30	1.71	43	36	22.61	44	24	4.58	46	48	2.85	49	52	4.68	36	32
37	Munsingwear 12/82-D	−14.37	62	55	−58.26	57	59	.52	26	37	−27.40	61	57	1.90	30	47	17.73	54	42	−15.95	65	62	3.12	41	46	−36.56	60	58
73	Nantuckett Ind. 2/82-W	2.66	28	18	12.88	19	9	.65	15	14	4.38	31	20	1.64	48	46	24.68	34	40	9.73	17	13	3.90	24	28	5.76	34	17
42	Nexus 7/82-D	−3.76	56	45	−64.62	58	16	.89	3	3	−6.76	57	43	1.79	37	31	15.26	61	55	.30	56	36	4.06	20	7	−13.27	57	41
64	Noel Industries 10/82-D	.06	49	22	.28	49	13	.54	22	27	.13	49	16	2.13	19	11	18.25	52	44	2.98	51	24	4.19	16	26	.26	48	9
48	Olga Company 12/82-W	4.83	13	14	16.56	12	14	.35	52	46	10.63	7	11	2.19	16	18	37.43	2	4	10.14	12	17	3.03	43	49	15.78	8	9
55	Oneita Knitting 12/82-M	−1.20	52	46	−8.14	51	39	.75	7	12	−1.95	52	45	1.62	50	16	12.35	65	64	5.48	44	44	4.08	19	10	−2.77	51	44
49	Oshkosh B'Gosh 12/82-D	8.73	2	5	27.21	4	4	.29	56	58	19.27	3	3	2.20	14	9	30.19	17	20	16.86	3	4	3.48	34	29	26.19	3	5
14	Oxford Ind. 5/82-D	3.74	18	30	18.59	8	24	.51	28	33	9.04	12	26	2.41	9	13	22.87	43	51	7.90	24	41	4.17	17	25	15.42	9	23
12	Palm Beach Co. 10/82-D	1.93	36	29	10.64	25	19	.59	19	22	4.32	33	29	2.23	11	21	26.05	30	25	6.98	30	25	3.17	38	39	6.35	29	19
15	Phil-Van Heusen 1/82-M	1.71	39	41	7.69	34	42	.54	22	27	3.51	35	40	2.05	22	19	27.61	25	35	4.44	48	51	3.44	35	34	5.03	35	43
80	Profile Sports 2/82-D	−7.62	58	62	−33.21	56	60	.76	6	5	−7.66	58	61	1.00	62	65	20.42	47	57	−25.49	66	65	1.73	63	59	−17.23	58	61
72	ProGroup 9/82-A	5.16	10	15	11.92	20	22	.26	58	56	8.72	15	14	1.68	46	26	33.63	10	15	9.91	15	33	4.89	9	16	11.36	16	18
21	Puritan Fashions 12/82-W	3.62	19	13	30.34	2	3	.67	11	16	9.95	8	5	2.74	4	4	35.23	6	3	15.53	4	11	4.58	11	8	16.07	7	3
60	Quality Mills 12/82-M	.01	50	61	.48	48	63	.93	2	1	.03	50	63	2.42	8	5	21.65	45	65	6.73	32	60	3.16	39	37	.05	49	63
53	Richton Int'l. 4/82-A	3.49	+	42	11.50	+	45	.54	22	19	5.20	+	46	1.49	55	57	37.00	3	2	1.12	55	53	2.38	58	58	6.73	+	49
24	Russ Togs 1/82-W	4.82	14	12	15.98	13	17	.37	50	53	9.95	8	12	2.06	21	24	25.46	32	36	7.72	25	30	5.05	7	14	14.24	10	15
20	Russell Corp. 12/82-D	7.69	5	3	15.13	14	7	.39	47	51	9.17	11	7	1.19	59	58	27.98	24	18	13.88	5	3	3.76	28	23	12.34	14	8
25	Salant Corp. 11/82-M	2.20	33	54	9.63	28	58	.64	16	10	3.43	37	53	1.55	53	55	16.65	58	53	4.56	47	29	2.88	48	63	6.10	31	56
63	Shapely 12/82-W	4.29	16	+	66.03	*	*	.72	9	4	18.17	4	+	4.23	*	*	26.85	27	33	9.63	18	18	5.81	4	3	45.58	*	*
38	Stanwood Corp. 12/82-M	1.75	37	43	6.04	38	46	.50	33	25	2.99	38	44	1.70	44	43	16.63	59	60	5.74	41	47	2.52	56	56	3.85	39	47
74	State-O-Maine 2/82-M	3.23	23	24	17.43	9	15	.53	25	24	8.10	17	19	2.50	6	23	31.82	13	9	9.77	16	21	3.72	29	35	16.35	6	12
43	Superior Surg. 12/82-D	2.74	26	19	8.72	31	23	.43	43	33	4.92	29	25	1.79	37	50	28.10	23	19	6.74	31	26	2.80	52	48	6.14	30	26
23	Tultex 11/82-M	5.44	8	11	20.77	6	8	.58	20	27	8.53	16	13	1.56	52	43	26.10	29	30	12.64	7	7	3.81	26	24	13.51	13	13
46	Unitog Company 1/82-D	3.49	21	23	10.77	24	34	.46	38	47	5.81	23	27	1.66	47	52	46.16	1	1	8.42	21	35	3.54	32	45	7.55	26	28
6	V F Corp. 12/82-D	10.41	1	6	29.57	3	6	.32	54	50	20.09	2	6	1.92	28	26	35.76	5	10	19.21	1	5	5.11	6	16	26.62	2	6
11	Warnaco Inc. 12/82-D	4.88	12	16	17.07	11	12	.44	39	25	9.42	10	17	1.92	28	36	34.26	7	8	10.76	9	12	2.93	47	44	13.53	12	16
41	Wayne-Gossard 12/82-M	2.17	34	21	6.47	36	26	.39	47	40	3.94	34	24	1.81	36	49	17.18	56	52	6.53	34	16	2.39	57	54	4.46	37	31
52	Wilson Brothers 12/82-M	−2.84	54	60	−92.88	60	62	.94	1	2	−5.50	54	60	1.93	27	42	28.55	21	39	3.20	50	59	3.50	33	31	−7.42	52	60
28	Wm. Carter Co. 12/82-W	3.57	20	19	11.27	22	21	.44	39	35	6.23	22	21	1.74	40	38	28.97	20	23	8.58	20	22	2.30	59	57	7.66	25	25
29	Work Wear Corp. 12/82-A	.17	47	35	.74	45	35	.63	18	16	.27	46	38	1.51	54	56	24.45	40	37	7.34	28	19	2.64	55	42	.42	46	39

+ Extraordinary gains exceed 1% of net sales; therefore, these companies are unranked.

++ Extraordinary deductions exceed 1% of net sales; therefore, these companies are unranked.

** Unranked.*

Top Performers By The Dozen

1982

1978–1982

Net A.T. Income on Sales

	Company	Sales ($000)	Net A.T. Inc. on Sales	1981 Rank
1	VF Corp. (D)	897,528	10.41	6
2	Oshkosh B'Gosh (D)	60,970	8.73	5
3	Liz Claiborne (W)	165,722	8.49	4
4	Bi-State Ind. (W)	8,177	7.90	2
5	Russell Corp. (D)	275,319	7.69	3
6	Fownes Bros. (A)	23,383	5.97	7
7	Abe Schrader (W)	60,380	5.64	9
8	Garan (M)	150,028	5.44	8
8	Tultex (M)	231,700	5.44	11
10	Progroup (A)	22,342	5.16	15
11	Levi Strauss (D)	2,572,172	4.92	10
12	Warnaco (D)	493,590	4.88	16

	Company	5-Year Sales ($000)	Net A.T. Inc. on Sales%
1	Kennington (M)	403,675	11.90
2	Russell Corp. (D)	1,151,189	8.34
3	VF Corp. (D)	3,291,679	7.88
4	Oshkosh B'Gosh (D)	206,018	7.80
5	Levi Strauss (D)	12,049,389	7.12
6	Fownes Bros. (A)	107,581	6.84
7	Bi-State Ind. (W)	34,544	6.58
8	Garan (M)	664,704	5.24
9	Farah Mfg. Co. (M)	662,094	4.95
10	Tultex (M)	884,868	4.80
11	Russ Togs (W)	865,231	4.71
12	Blue Bell (D)	6,018,903	4.53

Return on Total Equity

	Company	Sales ($000)	Return on Total Equity %	1981 Rank
1	Liz Claiborne (W)	165,722	34.17	2
2	Puritan Fashions (W)	245,646	30.34	3
3	VF Corp. (D)	879,523	29.57	6
4	Oshkosh B'Gosh (D)	60,970	27.21	4
5	Bi-State Ind. (W)	8,177	24.94	1
6	Tultex (M)	231,700	20.77	8
7	Abe Schrader (W)	60,380	19.08	5
8	Oxford Ind. (D)	435,928	18.59	24
9	State-O-Maine (M)	17,751	17.43	15
10	Manhattan (D)	377,772	17.20	30
11	Warnaco (D)	493,590	17.07	12
12	Olga (W)	62,234	16.56	14

	Company	5-Year Sales	ROE
1	Bi-State Ind. (W)	34,544	33.28
2	Farah Mfg. Co. (M)	662,094	27.78
3	Oshkosh B'Gosh (D)	206,018	23.03
4	VF Corp. (D)	3,291,679	21.69
5	Levi Strauss (D)	12,049,389	21.43
6	Nantucket Ind. (W)	76,445	19.00
7	Kennington (M)	403,675	18.91
8	Tultex (M)	884,868	18.75
9	Russell Corp. (D)	1,151,189	18.32
10	State-O-Maine (M)	67,722	18.23
11	Warnaco (D)	2,284,289	16.83
12	Palm Beach (D)	1,952,876	16.44

Return on Invested Capital

	Company	Sales ($000)	Ret. on Inv. Cap.%	1981 Rank
1	Liz Claiborne (W)	165,722	34.17	2
2	VF Corp. (D)	879,528	26.62	6
3	Oshkosh B'Gosh (D)	60,970	26.19	5
4	Bi-State Ind. (W)	8,177	24.94	1
5	Bio-Medical (W)	76,416	24.10	+
6	Farah Mfg. Co. (M)	194,278	20.66	+
7	Abe Schrader (W)	60,380	19.08	4
8	State-O-Maine (M)	17,751	16.35	12
9	Puritan Fashions (W)	245,646	16.07	3
10	Olga Co. (W)	62,234	15.78	9
11	Oxford Ind. (D)	435,928	15.42	23
12	Russ Togs (W)	227,841	14.24	15

	Company	5-Year Sales	Ret. on Inv. Cap.%
1	Bi-State Ind. (W)	34,544	33.27
2	Oshkosh B'Gosh (D)	206,018	21.73
3	VF Corp. (D)	3,291,679	19.38
4	Levi Strauss (D)	12,049,389	18.51
5	State-O-Maine (M)	67,722	14.69
6	Russell Corp. (D)	1,151,189	14.36
7	Abe Schrader (W)	216,322	14.10
8	Blue Bell (D)	6,018,903	12.40
9	Olga Co. (W)	252,429	12.36
10	Farah Mfg Co. (M)	662,094	12.19
11	Warnaco (D)	2,284,289	12.10
12	Garan (M)	664,704	12.02

+ Unranked

Sector Comparisons — Selected Ratios (Percent of Net Sales)

	Women's Wear	Men's Wear	Diver-sified	Assoc. Fashion Prod.
C.G.S.	73.28	76.45	68.89	74.45
SG & A	19.21	17.70	21.48	19.83
Int. Exp.	2.02	2.55	2.04	3.22
Current Ratio	2.62	3.01	2.57	2.87
Coll. Period	45.68	55.13	55.47	64.03
Change in Inv. Levels	5.4	-7.5	-7.5	-14.4

CLASSIFICATIONS

There are no simple formulas for classifying the companies in these Profiles that will satisfy every situation. The constantly changing mix of companies in each year's Profile sample, plus changes in the product mixes of the companies themselves, call for many separate and flexible judgments.

Consequently, this year's report uses less rigorous definitions for grouping companies into product/market segments for comparison. We have retained the three major apparel sectors used previously — Women's, Men's, and Diversified — and added a fourth category, Associated Fashion Products, to broaden the Profile's coverage and reflect what is happening in the industry.

Public companies deriving half of their total sales volumes from manufacturing and/or marketing of apparel or associated personal consumer products are included in the full data analysis.

These firms have been classified M (primarily Men's and Boys' Apparel), W (primarily Women's and Children's Apparel), D (Diversified, with neither Men's wear nor Women's wear predominating in the product mix), or A (Associated Fashion Products — companies whose sales may include some apparel along with related personal consumer products such as hosiery, gloves, headwear, leather products, jewelry, and the like. Footwear is specifically excluded because firms in that product category are part of our Footwear Profile (page 10).

A separate category – C – covers divisions of conglomerates or multi-product companies that do a significant amount of business in apparel, although more than half of their sales is in retailing, footwear, or unrelated consumer or industrial products. The apparel sales volumes of these companies, and some indication of their earnings performances, where available, are included in the Sales and Earnings table on page 3. However, their complete financial performance data have not been tabulated and do not appear elsewhere in this Profile.

The need to establish a cut-off date (12/31) for annual reports used in these Profiles causes difficulties for both KSA and those public companies whose fiscal years close one or two months after the cut-off — and who may have already announced another year's results by the time the Profiles are issued in May.

WHAT THE RATIOS MEAN

Net After-Tax Income on Sales — Net income divided by net sales and reported as a percentage. This figure is frequently labeled Return on Sales although KSA declines use of this title since extraordinary items are included in net income. Net sales is gross sales less discounts and allowances for returns and bad debts.

Return on Total Equity — Net income divided by total equity, reported as a percentage. The figure is a good measure of performance on behalf of the owners of the firm.

Total Debt to Assets — The sum of current liabilities, deferred liabilities, and long-term debt; divided by the book value of total assets. The quotient indicates the proportion of assets supported by creditor-supplied funds. Values usually range between zero and one. (Values greater than one indicate that a negative shareholders' equity exists.) Values approaching one indicate the possibility of high financial risk exposure. Whether that risk is short-term (i.e., likely deficiency of liquid assets to cover near-term debt maturities) or long-term, with its attendant contractual interest requirements, can be ascertained by dividing Return on Total Assets by Return on Invested Capital. This yields the proportion of long-term sources of funds in the financial structure. Very low figures may indicate management's unwillingness to take risks.

Return on Total Assets — Net income divided by the book value of total assets, converted to a percentage. This figure is often used as an indicator of the return on the total investment in the firm, regardless of financing; although most analysts correctly suggest that to make this measure more precise, one must add tax-adjusted interest payments to net income before dividing.

Sales to Total Assets — Net sales divided by total assets. This result is frequently called total asset turnover or simple turnover. Again, we are reluctant to use these terms due to the inclusion of intangible items in the total asset base. A high ratio may indicate inadequate planning for growth and/or operating at or above full capacity. A low ratio suggests overinvestment or inefficient use of assets.

Gross Profit — Net sales less cost of goods sold, divided by net sales and multiplied by 100 to make a percentage. The result is a good proxy for manufacturing profit.

Operating Earnings — Net sales less cost of goods sold as well as selling, general and administrative expense; divided by net sales and reported as a percentage. It is a good measure of a company's profitability on its primary, continuing operations.

Inventory Turns — Cost of goods sold divided by the average of the ending inventory for the year and prior year total inventory. Excessively high figures can be symptomatic of deteriorating customer service while unusually low turns can suggest unduly high safety stocks and the high cost of supporting them.

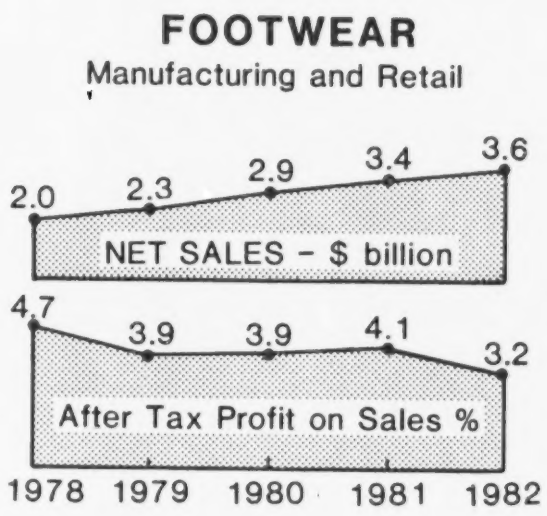
Return on Invested Capital — Net income divided by the sum of total equity and long-term debt. Many consider this figure to be the best single measure of performance for it represents the return to committed capital and is resistant to attempts to windowdress public financial statements.

Fifth Annual Footwear Profile

Recession causes retailers to stumble in fiscal 1982; manufacturers do better

OVER-ALL RESULTS for footwear in 1982 were not good. The public sector of the industry recorded its first profit decline in four years as its steady growth trend began to abate. The 30 companies profiled this year recorded an increase of 10.9% in total sales (as opposed to 17% last year, and 26% the year before) accompanied by a 3.8% drop in aggregate profits.

However, the picture becomes mixed when each of the three footwear industry sectors is examined separately. At the retail level, slow consumer spending caused a 1% decline in sales, but this mushroomed into a 55% reduction in bottom line profits after higher SG&A (31.9%) and $17.5 million-worth of miscellaneous expenses were entered into the calculations.



Industry Segment Results And Top Performers

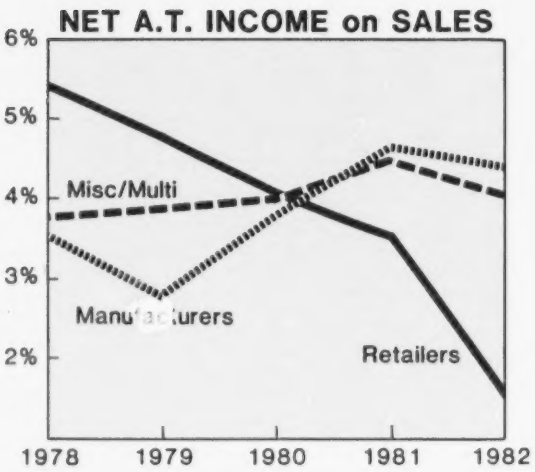
Industry Segment Top Performers and Totals by Year*	No. of Firms Reported	Sales ($000)	Net Income ($000)	Net A.T. Income on Sales %	Return on Total Equity %	Total Debt to Assets	Return on Total Assets %	Sales to Total Assets	Gross Profit %	Oper. Earn. %	Inv. Turns	Return on Invested Capital %
Manufacturers												
Nike, Inc.		693,582	49,036	7.07	37.07	.64	13.05	1.84	31.68	17.99	2.93	34.69
Caressa		56,822	4,672	8.22	28.89	.35	18.56	2.25	37.19	15.17	60.38	28.89
1982	17	2,003,477	88,930	4.44	17.31	.53	8.00	1.80	31.51	11.44	3.23	13.46
1981	17	1,731,606	79,784	4.61	17.82	.50	8.78	1.90	30.13	10.41	3.80	14.14
Retailers												
Kobacker Stores		135,140	5,061	3.75	24.81	.71	7.07	1.89	41.53	5.90	2.72	10.01
Edison Bros.		915,900	23,206	2.53	8.90	.40	5.33	2.10	33.92	6.11	3.37	7.56
1982	6	1,620,599	25,834	1.59	6.19	.45	3.37	2.11	36.62	4.74	3.15	4.68
1981	6	1,639,579	57,878	3.53	13.68	.44	7.56	2.14	37.69	7.20	3.10	10.25
Misc./Multi-Industry												
SCOA Ind.		1,057,573	32,109	3.04	21.79	.60	8.60	2.83	32.25	5.81	5.64	12.02
Melville Corp.		3,261,650	142,124	4.36	20.16	.43	11.40	2.61	40.13	9.06	3.58	17.54
1982	9	10,237,538	411,511	4.02	15.75	.44	8.76	2.18	36.42	8.06	3.32	12.03
1981	9	9,131,520	409,382	4.48	17.35	.46	9.26	2.06	36.50	8.68	3.31	12.93
Composite Total												
1982	32	13,861,614	526,275	3.80	14.85	.46	8.00	2.10	35.74	8.16	3.29	11.36
1981	32	12,502,705	547,044	4.38	16.93	.46	8.97	2.05	35.77	8.72	3.35	12.74

* *Industry segment top performers based on return on total equity ranking in segment.*

The composite P&L for manufacturers tells a different story. Total sales for the 16 firms in this category broke through the $2 billion plateau for the first time (they were $831 million in 1978). That represented a 15.7% gain over 1981, which was translated into a rise of 11.5% in profits. However, these figures also bear closer investigation. Seven of the manufacturers saw their sales drop in 1982. *Nike* alone accounted for $236 million of the group's $272 million sales increase; its volume of $693 million is 2.5 times what it was in 1980.

Among the eight companies engaged in both footwear manufacturing and retailing, as well as other product/market activities, a sales increase of 12% brought only a 0.5% gain in profits.

So the picture is mixed, although it remains gloomy. If the recovery is strong, the retrenchment that started in footwear last year and continued into 1983 should produce better results in next year's Profile, as well as a resumption of the industry's healthy six-year growth curve.



Who's Holding the Inventory?

The critical factor appears to be inventories. Retail levels dropped by 6% in 1982 as the stores promoted clearances and held back on accepting new merchandise. Among manufacturers, however, inventories rose by 28%, and this could cause them a problem if pipelines do not empty rapidly during the first half of this year.

Other balance sheet items weakened for manufacturers in 1982 – the current ratio dropped to 2.18, the collection period lengthened to 59.9 days, accounts receivable increased 15%, and long-term debt rose by 26%.

Leading Performers and Trends

Between them, *Nike* and *Caressa* shared the top honors in footwear this year. The two manufacturers took first place rankings in six major performance categories (see table on pages 10-11). In addition to good management, their 1982 achievements in the return and margin ratios illustrate what has been happening in the footwear industry recently, and the direction of future trends.

Nike's success in athletic footwear underlines the growth in that product/market sector. The company has gone beyond footwear into athletic apparel (which represented around $100 million of its sales last year) and it seems to have embraced the broad end-use concept of being a supplier of fashion-related personal consumer products.

Caressa illustrates another successful trend – sourcing. The footwear industry is well ahead of apparel in the way it uses alternative sources throughout the world for its range of products.

Since pure manufacturing of non-rubber footwear is declining in the U.S. (down about 9% last year), any significant growth for the industry will have to come from abroad, in the form of imports, or from athletic and casual footwear. Imports for the first three quarters of last year rose from 51% to 62% of domestic consumption.

The footwear industry's ability to deal with these trends, and ride them profitably, has been well demonstrated in recent years. If 1982's interruption was due primarily to the recession, as we believe it was, the industry should encounter no problems in resuming that course.

CLASSIFICATIONS

Manufacturing:	Companies deriving 50% or more of sales from footwear manufacturing.
Retailing:	Companies deriving 50% or more of sales from footwear retailing.
Misc./Multi:	• Companies for whom a breakout between manufacturing and retailing could not be determined.
	• Companies for whom a breakout between manufacturing and retailing was about 50-50; or could not be determined.

DISCLAIMER

The information presented in this Performance Profile was obtained from available annual reports made by public companies to their stockholders and to the Securities and Exchange Commission. While we believe the information furnished to be reliable, no representations are made as to the accuracy thereof. Kurt Salmon Associates assumes no responsibility for any errors in the Performance Profile, whether of omission or commission. Information presented herein is based solely on publicly available data; the confidentiality of KSA's client relationships has been maintained throughout. KSA's Financial Performance Profile is intended solely for the statistical information of the purchaser. It is not a representation, prospectus, or circular in respect of any stock or security of any corporation. The data and comments contained herein do not constitute investment advice in any form.

Footwear Performance Profile – 1982

Manufacturers and Retailers

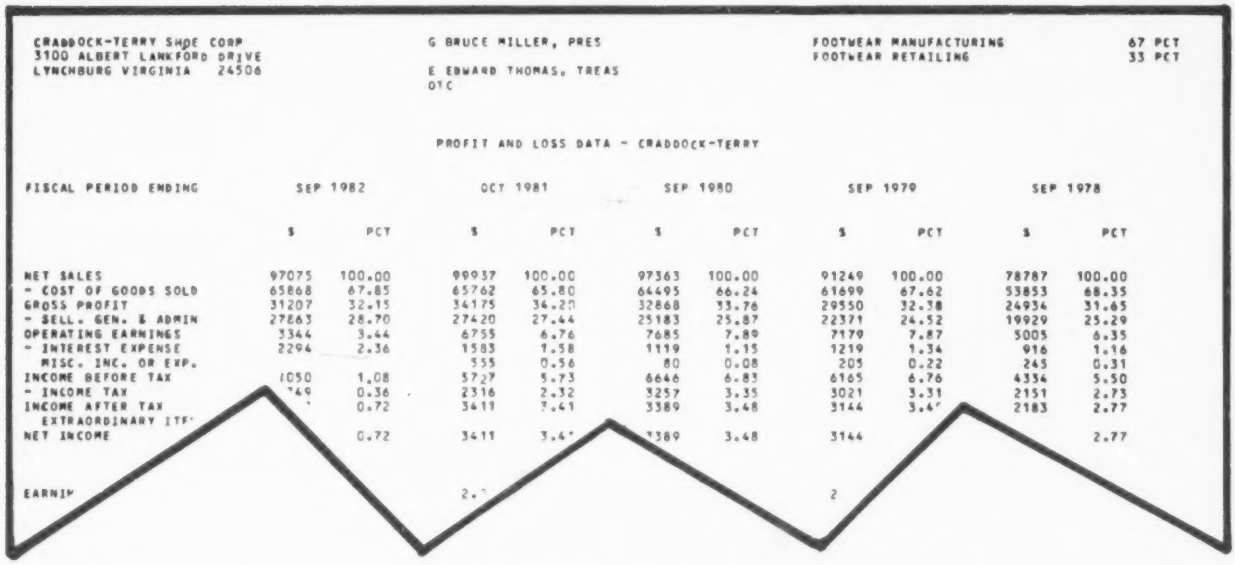
82 Sales Rank	Company	Net Sales ($000)	81	Net Income ($000)	82	81	Net A.T. Inc. on Sales %	82	81	Return on Total Equity %	82	81
7	R G Barry 12/82-M	133,982	6	−8,568	22	14	−6.39	21	17	−38.85	20	17
12	Caressa 09/82-M	56,822	13	4,672	8	11	8.22	1	9	28.89	2	10
20	Cert. Creations 09/82-M	11,565	21	719	13	19	6.21	5	14	19.56	7	13
10	Craddock-Terry 09/82-M	97,075	9	701	14	8	.72	17	11	1.96	18	11
16	Daniel Green 12/82-M	23,164	16	1,837	11	12	7.93	2	2	19.94	6	4
1	Edison Brothers 12/82-R	915,900	1	23,206	2	1	2.53	14	7	8.90	13	6
14	Hyde Athletic 12/82-M	36,877	15	2,489	10	20	6.74	4	18	23.76	4	18
6	Kobacker Stores 12/82-R	135,140	7	5,061	6	10	3.74	12	16	24.81	3	8
3	Morse Shoe 12/82-R	447,965	3	−2,183	20	4	−.48	19	15	−2.02	19	12
2	Nike, Inc. 05/82-M	693,582	2	49,036	1	2	7.06	3	3	37.07	1	1
18	Penobscot Shoe 10/82-M	19,371	18	462	15	16	2.38	15	8	4.37	15	15
17	Shaer Shoe 10/82-M	19,549	17	326	17	17	1.66	16	13	4.11	16	14
21	Simco 07/82-R	11,138	20	434	16	18	3.89	11	10	6.56	14	16
5	Stride Rite 11/82-M	224,814	5	11,365	4	5	5.05	8	6	17.91	8	7
15	Stuart McGuire 12/82-R	24,337	14	84	18	21	.34	18	19	1.99	17	19
8	Suave Shoe 09/82-M	121,871	8	6,654	5	7	5.45	6	5	20.50	5	3
11	Tony Lama 07/82-M	86,351	10	4,712	7	6	5.45	6	1	12.61	12	2
13	B B Walker 10/82-M	45,976	12	−2,657	21	22	−5.77	20	20	−43.85	21	20
19	Wellco Ent. 06/82-M	18,050	19	868	12	13	4.80	9	+	14.78	9	+
9	Weyenberg 12/82-M	97,521	11	3,240	9	9	3.32	13	12	14.52	10	9
4	Wolverine 12/82-M	316,907	4	13,074	3	3	4.12	10	4	13.32	11	5

Miscellaneous and Multi-Industry Companies

Company	Total Sales ($000)	Estimated Footwear Sales	Net Income ($000)	Net A.T. Inc. on Sales %
Brown Group (M = 33%; R = 36%)	1,396,531	967,919	59,590	4.27
Chesebrough Ponds (M = 9%)	1,623,190	140,241		
Genesco (M = 32%; R = 33%)	664,805	432,123	1,099	.17
Interco (M, R = 22%)	2,673,769	587,035	118,615	4.44
Int'l. Seaway (Imp. = 100%)	29,232	29,232	−639	−2.19
Melville (R = 39%)	3,261,650	1,261,496	142,124	4.36
Scoa (M, R, Imp. = 21%)	1,057,573	222,090	32,109	3.04
Spencer Cos. (R = 46%; M = 2%)	86,119	41,900	−768	−0.89
U.S. Shoe (M = 43%; R = 17%)	1,087,982	652,789	58,761	5.40
Wiener (R = 60%)	65,996	39,597	−148	−0.22

Total Debt to Assets			Return on Total Assets			Sales to Total Assets			Gross Profits			Operating Margin			Inventory Turns			Return on Invested Capital		
	82	81	%	82	81		82	81	%	82	81	%	82	81		82	81	%	82	81
.66	3	5	−13.03	21	17	2.03	9	8	34.68	8	7	3.16	18	19	4.16	7	11	−16.34	20	18
.35	16	9	18.56	1	11	2.25	4	19	37.19	6	8	15.17	4	4	60.38	1	1	28.89	2	9
.21	17	18	15.35	3	12	2.46	2	4	25.87	16	18	4.24	13	15	7.75	3	4	18.77	5	10
.50	8	11	.97	17	14	1.34	21	20	32.14	11	9	3.44	17	11	2.57	17	15	1.30	17	13
.20	18	17	15.91	2	2	2.00	10	11	32.08	12	12	16.78	2	3	3.06	13	17	19.94	4	3
.40	12	15	5.33	14	6	2.10	8	6	33.92	9	6	6.11	11	9	3.37	11	13	7.56	13	6
.53	7	6	11.05	6	18	1.63	18	15	35.83	7	16	16.25	3	10	2.33	18	20	23.52	3	17
.71	2	1	7.07	12	16	1.89	11	13	41.53	3	3	5.90	12	13	2.72	16	19	10.01	11	16
.48	9	12	−1.04	19	15	2.15	6	3	39.79	5	4	2.34	19	17	2.94	14	16	−1.35	19	15
.64	4	4	13.05	4	3	1.84	12	9	31.67	13	13	17.99	1	2	2.93	15	10	34.69	1	1
.12	19	21	3.84	15	9	1.61	17	17	24.63	18	15	1.92	20	16	5.13	5	7	4.37	15	12
.10	21	19	3.67	16	10	2.20	5	7	14.53	21	21	3.97	14	18	10.64	2	2	4.11	16	11
.11	20	20	5.82	13	13	1.49	19	21	52.41	1	1	3.93	15	20	1.84	21	21	6.36	14	14
.55	6	7	7.92	10	8	1.56	18	16	40.33	4	5	10.00	6	7	2.28	19	18	12.16	8	8
.59	5	3	.80	18	19	2.34	3	1	46.22	2	2	1.62	21	21	3.17	12	9	1.21	18	19
.42	11	10	11.70	5	4	2.14	7	4	24.24	19	20	10.40	5	6	6.11	4	3	15.89	6	4
.36	15	13	8.00	9	1	1.46	20	17	27.83	15	11	9.83	7	1	2.12	20	14	10.42	10	2
.78	1	2	−9.55	20	20	1.65	15	12	24.77	17	17	3.45	16	12	3.38	10	6	−20.50	21	20
.40	12	8	8.80	8	+	1.83	13	13	22.99	20	19	7.50	8	5	3.65	8	12	11.03	9	+
.37	14	16	9.04	7	7	2.72	1	2	32.46	10	10	6.53	10	14	4.85	6	5	14.52	7	5
.45	10	13	7.27	11	5	1.76	14	10	28.43	14	14	7.46	9	8	3.55	9	8	9.96	12	7

Return on Total Equity %	Total Debt to Assets	Return on Total Assets %	Sales to Total Assets %	Gross Profits %	Operating Earnings %	Operating Earnings Footwear Only %	Inventory Turns	Return on Invested Capital %
16.35	.41	9.58	2.24	39.68	7.88	9.93	3.17	13.55
1.18	.74	.30	1.86	32.77	2.71	12.67	2.98	.47
12.04	.35	7.70	1.73	31.92	8.66	12.50	2.74	9.26
−6.55	.46	−3.51	1.60	17.87	−0.71		3.77	−6.55
20.16	.43	11.40	2.61	40.13	9.06	9.15	3.58	17.54
21.79	.60	8.60	2.83	32.25	5.81		5.64	12.02
−4.49	.48	−2.33	2.61	36.40	1.79		3.00	−3.99
19.70	.42	11.30	2.09	38.58	9.78		3.58	16.17
−1.52	.52	−0.72	3.22	43.19	2.90		3.13	−0.95



CRADDOCK-TERRY SHOE CORP
3100 ALBERT LANKFORD DRIVE
LYNCHBURG VIRGINIA 24506

G BRUCE MILLER, PRES

E EDWARD THOMAS, TREAS
OTC

FOOTWEAR MANUFACTURING 67 PCT
FOOTWEAR RETAILING 33 PCT

PROFIT AND LOSS DATA - CRADDOCK-TERRY

FISCAL PERIOD ENDING	SEP 1982		OCT 1981		SEP 1980		SEP 1979		SEP 1978	
	$	PCT	$	PCT	$	PCT	$	PCT	$	PCT
NET SALES	97075	100.00	99937	100.00	97363	100.00	91249	100.00	78787	100.00
- COST OF GOODS SOLD	65868	67.85	65762	65.80	64495	66.24	61699	67.62	53853	68.35
GROSS PROFIT	31207	32.15	34175	34.20	32868	33.76	29550	32.38	24934	31.65
- SELL. GEN. & ADMIN	27863	28.70	27420	27.44	25183	25.87	22371	24.52	19929	25.29
OPERATING EARNINGS	3344	3.44	6755	6.76	7685	7.89	7179	7.87	5005	6.35
- INTEREST EXPENSE	2294	2.36	1583	1.58	1119	1.15	1219	1.34	916	1.16
MISC. INC. OR EXP.			555	0.56	80	0.08	205	0.22	245	0.31
INCOME BEFORE TAX	1050	1.08	5727	5.73	6646	6.83	6165	6.76	4334	5.50
- INCOME TAX	749	0.36	2316	2.32	3257	3.35	3021	3.31	2151	2.73
INCOME AFTER TAX		0.72	3411	3.41	3389	3.48	3144	3.47	2183	2.77
EXTRAORDINARY ITE										
NET INCOME		0.72	3411	3.41	3389	3.48	3144			2.77
EARNIN			2.1				2			

Shown above is part of an actual Profit and Loss page from the complete print-out.

THE COMPLETE PROFILE

This issue of *Perspectives for Apparel and Footwear Management* contains excerpts from the complete industry Profile, a print-out of approximately 400 pages produced by a computer program developed by KSA.

The full print-out covering five fiscal years ending in 1978 through 1982 is available for in-depth comparisons and study. It includes a compilation of five-year average performances in five pertinent ratios for all companies and industry segments.

For each of the companies, as well as the industry segment composites and the total industry aggregate, the report contains:

1. Balance sheets in both dollars and percentages.
2. Income statements in both dollars and percentages.
3. Statements of changes in working capital.
4. A comprehensive list of ratios, including:
   - Current Ratio
   - Acid Ratio
   - Receivables Turns per Year
   - Inventory Turns per Year
   - Sales/Inventory
   - Return on Sales
   - Return on Invested Capital
   - Return on Total Equity
   - Return on Common Stock
   - Return on Total Assets
   - Operating Return
   - Cash Flow/Sales
   - Sales/Total Assets
   - Sales/Net Worth
   - Sales/Working Capital
   - Fixed Assets/Net Worth
   - Long-Term Debt/Invested Capital
   - Long-Term Debt/Net Worth
   - Long-Term Debt/Common Equity
   - Total Debt/Total Assets
   - Interest Coverage
   - Total Coverage

In addition, composite data for the industry segment groupings are presented in the same manner as the individual company compilations, as sums of all company performances in each group.

Industry totals (with and without the multi-industry companies), and data comparing the industry segments with the total industry, as well as a year-to-year percent change analysis of nine pertinent variables for each company, industry segments and composite are also included.

The apparel and footwear printouts are available from KSA at a cost of $300 and $150, respectively.

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